REMARKS

In response to the above-identified Office Action, Applicants amend the application and seek reconsideration thereof. In this response, Applicants amend Claims 1, 3, 5, and 7. Claims 3 and 5 are amended to more clearly point out the claimed subject matter, as necessitated by the amendment to Claim 1. Applicants do not cancel any claims or add any new claims. Accordingly, Claims 1-7 are pending.

I.   Claims Rejected Under 35 U.S.C. § 112

Claims 1-7 stand rejected under 35 U.S.C. § 112, second paragraph as being indefinite, because the term 'capable of' in Claims 1 and 7 is a relative term. Applicants amend Claims 1 and 7 to remove the term "capable of supporting the variable bit rate." Accordingly, reconsideration and withdrawal of this rejection of Claims 1-7 are requested.

II.   Claims Rejected Under 35 U.S.C. § 102

Claims 1, 2 and 7 stand rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent No. 6,771,703 issued to Oguz, et al. ("Oguz"). Applicants respectfully traverse the rejection.

To anticipate a claim, the Examiner must show that a single reference teaches each of the elements of that claim. Amended Claims 1 and 7 recite the elements of "decomposing a stored original video bit stream into a plurality of files of a plurality of file types, and then storing the files, wherein each of the plurality of file types is defined by at least a picture type of a frame and a discrete cosine transform (DCT) coefficient group;" "merging selective files of the plurality of files and selective frames based on the decomposed file types by considering a traffic state of a communication network." Applicants respectfully submit that Oguz does not teach these elements.

Oguz does not disclose the concept of file types defined by at least a picture type of a frame and a discrete cosine transform (DCT) coefficient group. At most, Oguz discloses generating a reduced-quality MPEG file by selectively removing Discrete Cosine Transform (DCT) coefficients

from each 8x8 block of a frame (Abstract). The Examiner asserts that "only merging reduced 8x8 DCT blocks is interpreted as selectively merging files of the plurality of files." (Final Office Action at page 2) Applicants respectfully disagree, because there is nothing in Oguz that mentions or suggests the plurality of file types as claimed. The Examiner interprets the file types as the reduced-quality and non-reduced quality file types. However, as recited in amended Claim 1, each of the file types is defined by a picture type of a frame and a DCT coefficient range of the frame. Moreover, Oguz fails to mention merging selective files and selective frames based on the file types as defined in amended Claim 1. At a minimum, the concept of merging selective frames is totally lacking in Oguz. Oguz does not mention that some of the frames may be omitted to reduce video quality. Thus, Oguz does not teach each of the elements of Claim 1.

Analogous discussion applies to Claim 7. Accordingly, reconsideration and withdrawal of the anticipation rejection of Claims 1 and 7 are requested.

Claim 2 depends from Claim 1 and incorporate the limitations thereof. Thus, at least for the reasons mentioned above in regard to Claim 1, Oguz does not anticipate Claim 2. Accordingly, reconsideration and withdrawal of the anticipation rejection of Claim 2 are respectfully requested.

III.   Allowable Subject Matter

Claims 3- 6 are objected to as being dependent from a reject base Claim 1, but would be allowable if rewritten in an independent form. Applicants respectfully submit that the amendment to Claim 1 has obviated the need to rewrite these claims. As Claim 1 is in condition for allowance, Claims 3-6 are allowable at least for the reasons mentioned in regard to Claim 1. Accordingly, reconsideration and withdrawal of the objection of Claims 3-6 are requested.
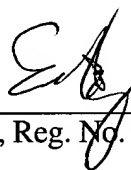
CONCLUSION

In view of the foregoing, it is believed that all claims now are now in condition for allowance and such action is earnestly solicited at the earliest possible date. If there are any additional fees due in connection with the filing of this response, please charge those fees to our Deposit Account No. 02-2666. If the Examiner believes that a telephone conference would be useful in moving the application forward to allowance, the Examiner is encouraged to contact the undersigned at (310) 207 3800.

Respectfully submitted,
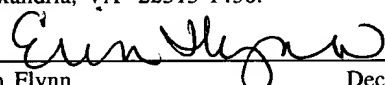
BLAKELY, SOKOLOFF, TAYLOR & ZAFMAN LLP

Dated: December 22, 2005

_____
Eric S. Hyman, Reg. No. 30,139

12400 Wilshire Blvd.
Seventh Floor
Los Angeles, California 90025
(310) 207-3800